



Roadmap

- Background
- Primary Research Findings
 - Desk Research
 - Conclusions
 - Qualitative Research
 - Implications

Background

- Latin America is a growing and increasingly important market, evident by many factors including, for example:
 - In 2003 Goldman Sachs published a paper called *Dreaming with BRICS...a path to 2050*
 - BRICs: Brazil, Russia, India and China
 - Interestingly, revised this year to include Indonesia
 - *Dreaming with BRICS* predicted that:
 - In less than 40 years the BRICs economies together could be larger than the G6 in US\$
 - By 2025 they could account for half of the G6 (in 2003 they were worth less than 15%)
 - Of the current G6 only Japan and the US may be among the six largest economies in US\$ by 2050

Economic Indicators

Market	Population	GDP (PPP)	GDP per capita	GDP Growth
Argentina	40,301,927	\$523.7 billion	\$13,000	8.50%
Brazil	190,010,647	\$1.8 trillion	\$9,700	4.90%
Chile	16,284,741	\$234.4 billion	\$14,400	5.20%
Mexico	108,700,891	\$1.4 trillion	\$12,500	3.00%
Colombia	44,379,598	\$320.4 billion	\$7,200	6.50%
Peru	28,674,757	\$217.5 billion	\$7,600	7.50%
Venezuela	26,023,528	\$335 billion	\$12,800	8.30%
Sub-total	454,376,089	\$4.8 trillion	\$10,564	
UK	60,776,238	\$1.928 trillion	\$31,800	2.80%
US	301,139,947	\$13.06 trillion	\$43,800	2.90%

Source: CIA Yearbook

Desk Research

Number of foreign students from South America and Mexico in tertiary education, by country of origin and destination country (2004)

Countries of origin	Destination Countries										Total all reporting destinations	
	United States	Spain	France	Canada	United Kingdom	Germany	Italy	Portugal	Australia	New Zealand		
Mexico	13,328	2,652	1,452	1,537	1,223	977	153	17	376	58	22,524	24,498
Argentina	3,644	2,750	838	323	434	519	407	21	111	23	9,970	10,979
Bolivia	1,034	346	185	42	84	219	80	n	3	2	1,959	2,280
Brazil	7,789	1,659	1,759	679	1,110	1,801	625	1,842	370	30	17,714	21,914
Chile	1,612	1,569	512	287	295	624	180	5	86	55	5,205	7,668
Colombia	7,533	3,955	1,754	709	500	988	387	16	608	15	16,465	20,518
Ecuador	2,345	1,227	291	151	90	359	207	2	39	3	4,714	6,770
Guyana	503	n	46	218	94	5	3	2	1	n	872	1,285
Paraguay	343	68	64	11	16	36	29	1	5	3	567	2,845
Peru	3,771	1,816	498	285	229	902	687	17	97	12	8,314	12,213
Suriname	126	n	25	9	6	n	n	n	3	n	172	1,204
Uruguay	532	303	71	41	60	60	37	2	12	13	1,131	2,432
Venezuela	5,075	1,704	405	339	350	325	333	549	92	3	9,375	11,264
Total from Latin America	69,603	19,871	9,427	6,687	8,639	7,424	3,285	2,308	1,907	246	131,599	173,559
From the Caribbean	15,502	1,059	1,192	3,656	3,443	2,741	1,421	26	70	19	26,174	31,610
From Central America	19,263	3,280	1,797	1,950	2,300	1,369	276	23	404	68	30,620	38,612
From South America	34,787	15,491	6,448	3,074	3,288	5,841	2,665	2,487	1,437	159	75,758	102,971

Source: Education at a Glance 2006 - Tables, www.oecd.org/edu/edu/2006 - OECD

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A Closer Look

- Mexico
- Brazil
- Colombia
- Peru
- Chile
- Argentina
- Venezuela

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Information Sources

- United States: Opendoors, Report on International Education Exchange (2002-2006). Institute for International Exchange (IIE).
- United Kingdom: Data was obtained from Higher Education Statistics Agency (HESA) through a specialized data request.
- Australia: 2006 Annual and Year to date April 2007 Pivot Table. Australian Education International (AEI).
- Canada: Data was obtained from Citizenship and Immigration Canada (CIC) through a specialized data request.
- New Zealand: Data was obtained from Education Counts through a specialized data request.
- France: Statistics provided by the French Ministry of Education
- Germany: wissenschaft weltoffen 2006. <http://www.wissenschaft-weltoffen.de/2006/>
- Spain: Data was obtained from a representative of Nuffic (Netherlands organization for international cooperation in higher education) who sourced the data from the Spanish Ministry of Education

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Mexico

- Approximately 20,000 Mexicans study HE overseas
- The US is the predominate destination for study
- Spain, the UK, France, Germany and Canada also attract a significant number of HE students from Mexico
- The highest growth has taken place in Germany (143%), Australia (81%) and Spain (69%) - between 2002 and 2006
 - Growth, albeit smaller, was also recorded in the UK (1%) and Canada (5%)

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Brazil

- Approximately 15,000 Brazilians study HE overseas
- The greatest number of Brazilian students undertaking HE overseas choose to study in the US
- BUT... Brazilian enrollments in the US have decreased every year since 2002 – dropping 22% from 2002 to 2006 – as has the US share of the market
- Similarly the UK has also experienced decreasing enrollments from Brazil (-5%)

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Brazil

- In contrast, Australian enrollments have been steadily increasing, with strong growth over the last couple of years
- France, Germany, Spain, Portugal and Canada also attract a reasonable number of HE students from Brazil

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Colombia

- Approximately 16,000 Colombians study HE overseas – the majority in the US
- The US attracts a greater number of Colombian students than any other destination...but...Colombian enrollments in the US declined every year from 2002 to 2006
- After the US, European destinations are the next most popular countries for study, especially Spain, France and Germany




Colombia

- While enrollments in Australia declined every year from 2003 to 2006....2007 showed strong growth for Australia - in terms of market share it is higher amongst Colombian students than any other South American source




Peru

- Approximately 7,000 Peruvians study HE overseas
- The US attracts the largest number of international HE students from Peru; followed by Spain and Germany
- The average annual growth of Peruvian students, 15%, is higher than that of the other South American countries being discussed today
- The highest growth has taken place in Australia (albeit from a limited base, 476%), France (73%), Spain (66%) and Canada (42%). Growth was recorded in all destination countries with the exception of New Zealand



Chile

- Approximately 5,000 Chileans study HE overseas
- Similar to other South American sources of HE students, the US is the favored destination of study amongst Chileans
- However, in 2004 (the latest year for which data is available for Spain) nearly as many students from Chile chose to study in Spain (1,569) as the US (1,612)
- Given Chilean enrollments in the US declined in 2005 and 2006, Spain might now be the leading destination for international HE students from Chile




Chile

- France and Germany are the next most popular destinations after the US and Spain for Chileans wishing to study overseas
- Spain (38%), Australia (35%), Germany (15%) and France (11%) have recorded the highest average annual growth in Chilean students over the last few years



Argentina

- Approximately 8,000 Argentines study HE overseas with the US and Spain being the leading destinations for study
 - *About three-quarters of all international HE students from Argentina (77%) studying in these two countries in 2004 (the latest year for which data was available for all destination countries)*
- Argentine enrollments decreased in 2006 in destination countries for which data is available – the US, the UK, Australia, Canada, New Zealand and France
- Growth has been strongest in the non-English speaking destinations (although there has not been any real growth in any destination since 2004)



Venezuela

- Approximately 8,700 Venezuelans study HE overseas
- The greatest number of Venezuelans undertaking HE overseas choose to study in the US or Spain. France, the United Kingdom and Germany also attract a significant number of students from Venezuela
- Growth has been strongest in non-English speaking destinations, whereas declining enrollments were prevalent in the US from 2004 to 2006 and enrollments in other English speaking destinations have been steady

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Conclusions

- While more Latin American students choose to study in the US over other destinations its actual enrollments and its share of most Latin American markets has declined
- In contrast, Australia appears to be enjoying strong growth in enrollments from most Latin American countries and an increasing share of the market
- Other non-English speaking destinations, in particular Spain, are also enjoying growth
- What can we learn from looking at Latin American students studying in Australia that might help US providers reverse the trend?

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Australian Enrollments Statistics from Latin America

August YTD 2005-2007: All sectors

Country	'05	'06	'07
Chile	~1,000	~1,000	~1,000
Peru	~1,500	~1,500	~1,500
Colombia	~2,500	~3,000	~4,500
Brazil	~5,500	~8,000	~10,000

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Qualitative Research

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Research Objectives

- Better understand the decision making processes of Latin American students
- Gain insight into Latin American students' expectations and experiences of living and studying overseas
- Identify the key insights for providers to assist them in their marketing and recruitment efforts

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Methodology/ Sample

- 8 focus groups:
 - Sydney, Melbourne, Brisbane
 - 3 x English Language students
 - 1 x Vocational students
 - 1 x Undergraduate students
 - 3 x Postgraduate students
 - Mix of institutions – universities, TAFE, ESL schools (independent/attached to universities)

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Student Profile

- Mix of nationalities including: Brazil, Mexico, Chile, Peru and Colombia
- Nearly all had been privately educated in their home countries
- Many had travelled overseas before coming to Australia to study – but only a couple had been to Australia before studying here
- Mixed ages even in ESL groups – tend to be either gap-year students or students with professional experience and undergrad/postgrad qualifications – mid – late twenties – many are self-funded
- Undergraduates – mainly school leavers – parentally funded
- Postgraduates – many are married, most are self-funded, some employer partnership

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Making the Decision

- Why do Latin American students choose to study overseas?
- Destinations considered
- Why do they choose Australia?
- How and where do they find information about studying in Australia?
- Who are the key influencers when making the final decision to study overseas?

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Making the Decision

- **Why do Latin American students choose to study overseas?**
 - Childhood dream to study overseas
 - To improve their English
 - To enhance their career opportunities
 - To experience a new and different environment and culture
 - Personal development
 - Encouragement from their families and friends to have an international experience

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Destinations Considered

- Other MESDCs in particular the US and UK – both of which are still considered to offer the highest quality education
 - "England and USA are crowded like Brazil. So I didn't want to do that."*
- Other Latin American destinations
- South Africa
 - "...was too exotic for me"*
- European destinations – France, Spain
 - "I considered UK, Canada and Europe but not USA, I don't like how the country works. UK was too expensive and the weather and the people aren't that friendly."*

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Making the Decision

- **Why do they choose Australia?**
 - Australia offers far better value for money and a better quality of life in a cost comparison with US and UK
 - Opportunity to work part-time while they study
 - "I was looking at Ireland, UK, and Australia and I decided because of the weather – I knew that it rained in Ireland. Life quality: because you know that students in London have to work very hard, their life is not very good and they have bad weather. If you work it's illegal and here you can work and the weather is great and the life is very good. If you're working 20 hours a week, you can support yourself and pay for your own things."*

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Making the Decision

- **Why do they choose Australia?**
 - English-speaking destination that offers a different and unique experience, mixed with some anti-US sentiment:
 - "I used to work walking gringos (ie all the English-speaking tourists) and you walk them through the city, like a tourist thing. I had the American experience, the English experience and the Australian experience. Americans all they talk about is money, everything is so cheap, oh I'll pay for everyone because this is so cheap. The English person arrives and says why am I paying so much for this, I don't like this, I want to go to the next bar and drink and they sit and drink and they don't do anything else. The first thing the Australian person says is 'how do I say hi in Spanish?' and to me that was huge. For me that I was walking gringos for a long time and I was like whoa, because someone who speaks English thinks there is someone other than them."*

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Making the Decision

- **Why do they choose Australia?**
 - Proximity to Asia and multicultural flavor
 - "The contact with different cultures. Australia is very close to Asia and you have different nations of people from different backgrounds."*
 - "Because it's close to Asia and for business is very important. I want to know more about Asian countries, you don't get that in USA or Europe, but here it is much stronger"*
 - Less Latin Americans andtherefore more opportunity to practice English

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Making the Decision

- **Why do they choose Australia?**
 - Safety, although many only realised how safe Australia was after arrival
 - "My safety. I think most of us compared all countries with Australia. For example, if I walk around my country at 12-1 am completely alone on the street, it's a completely different situation if I did the same thing here. For that reason, we think it's a safe country – independent of any terrorism situation, or political or religious situation."*
 - Weather
 - "Australia is a safe place and the weather is similar to Brazil"*

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Making the Decision

- **Why do they choose Australia?**
 - Positive word-of-mouth feedback from previous Latin American students
 - "I was told I must go to Australia because it is a beautiful country and you have all the opportunities..."*
 - Visa process is perceived to be more straightforward and transparent than competitor countries – some had their visa applications rejected by the US
 - Quality of education NOT cited as a strong motivator among the majority of students, although for some disciplines, particularly in the sciences and more so at the postgraduate level, this was a key factor

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Making the Decision

- **Sources of information**
 - Australian Embassies and Consulates (AEI)
 - Internet – Google is the main search engine
 - Agents – most students used agents
 - Education fairs
 - Word-of-mouth from Latin American students who have studied overseas
 - Many commented on the lack of available information on Australia...and yet these students still chose to study there

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Making the Decision

- **Key influencers when making the final decision to study overseas?**
 - Parents are heavily involved, as they are often financing the studies
 - Friends and other family members, some of whom had studied or visited Australia
 - Agents were integral to the final decision, as they were seen as the main source of information and in a better position to advise on the quality of the institution than relying on the internet
 - "I like agencies better because you can talk another language, if we try to find the internet it's all English and we're here to learn English so it's easier when you have some person showing you. My agent told me everything I wanted to know."*

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Expectations vs. Reality

- **Latin American expectations and experiences of studying and living in Australia**
 - The qualitative feedback suggests that Latin American students have generally higher expectations than Asian students
 - The postgraduate and English-language students, who were largely self-funded, had higher expectations than their undergraduate counterparts, whose studies were largely being financed by their parents
 - There was evidence of a significantly greater level of personal sacrifice among the postgraduate and English language students and in turn higher expectations

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Expectations vs. Reality

- **Latin American expectations and experiences of studying and living in Australia**
 - Most felt the reality met their expectations, with the overwhelming majority of students stating that they would recommend Australia as a study destination to their friends
 - There is, however, room for improvement in managing Latin American students' expectations of their academic programmes and Australian life in general

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Expectations vs. Reality

- Cost of living was a vital issue for self-funded students, with some dissatisfaction expressed about the quality of employment options available to them – waiting tables or cleaning

"For students, it is too expensive."

"Very expensive. Food is very expensive."

"...how can I learn English if I'm talking to a broom? You can't learn English if you're doing that kind of a job."

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Expectations vs. Reality

- Positive feedback about multicultural Australia and the Australian people

"It's better than I thought. It's so multicultural that at first I was going to feel as if I don't belong, but everyone makes me feel welcome. I'm really happy here."

"Australian people are nice, very kind and kind of crazy. They talk to you, that's nice. Sometimes when you say you are from Latin America they are excited because it's so far."

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Expectations vs. Reality

- Some Latin Americans find the social life quieter, while others were pleasantly surprised

"It's too peaceful. Too quiet."

"It's better than my expectations – the parties, safety, transport."

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Expectations vs. Reality

- Some concerns regarding the perceptions of the quality of education, particularly at postgraduate level. But, many were very satisfied with the quality of the education experience describing Australian education as:

"Prestigious, good environment."

"Highest quality"

"Opportunities as a result of my study here. I can get a better job and better opportunities in my country."

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Expectations vs. Reality

- Expressions of frustration among English language learners at the different pace and style of learning of Asian and Latin American students and the challenges this creates within the English language institution, but also a recognition, at least by some, that diversity of student nationality is important.

"There is a lot of Asian people here and they don't follow the class. We are more open than them. They are reserved. The language is the problem."

"I think having classes with them (Asian students) has improved my English.... Diversity is good."

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Implications

- **Implications for US providers**
- US institutions need to counteract the negative perceptions of the US as a study destination among Latin American students
- Leverage opportunities to undertake focus groups with current Latin American students to get feedback on visa procedures and perceptions and experiences of US education
- Review current partnership/agent arrangements in Latin America and request feedback on visa application procedures and any difficulties experienced by students

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Implications

- **Implications for US providers**
- Need to produce collateral which is targeted at this market and addresses the broader range of reasons why Latin American students study overseas
- Information in Spanish/Portuguese is going to be advantageous even if only online
- Managing agent relationships in Latin America is going to produce results
- Finding ways to stimulate positive word of mouth recommendations is really going to pay dividends

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Implications

- **Implications for US providers**
- It is important to manage expectations of study and living, particularly given that many Latin American students appear to be self-funded and appear to have more limited discretionary budgets than their Asian counterparts
- Providers could investigate ways of improving employment opportunities for Latin American students

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Thank you